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13 June 1984

WEST EUROPE REPORT

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PEACE FUND CHAIRMAN NIELS MUNK PLUM ON GOALS, STRATEGIES

Copenhagen BERLINGSKE TIDENDE in Danish 15 Apr 84 Sect II, pp 1, 2

[Article by Helle Bygum: "The Best Friend of Peace"]

[Text] The Plum Fund has ceased to exist and remaining funds have been invested in peace. Niels Munk Plum, who in a long life has faithfully served the Left Wing, tells of anarchism, work for peace, and the satisfaction over Ritt Bjerregaard as chairman of Peace Fund's Circle of Friends.

It was masculine intuition and a nose for news that made Civil Engineer Niels Munk Plum, Left wing maecenas and chairman of the Peace Fund, contact Ritt Bjerregaard, Social Democrat and vice-chairman of the Folketing group, to ask her to become chairman of the Peace Fund's Circle of Friends when it was to be established.

"One could not just invite the Social Democratic party, however, Ritt is just as good as the party. It is not by chance, of course, that I asked her. We needed a well-known person and it would be smart if the person were a woman because in my opinion a woman understands peace better," says Niels Munk Plum.

After a long life of support of the forces of opposition in society, not least through 15 years of the Plum Foundation and its distribution of 5 million to everything that could puncture the discrete charm of the bourgeoisie and create equality in a distorted society, it is now peace that matters to Plum. And this is the way it has been since the fall of 1981, when the Plum Fund ceased to exist because of the depression in the construction industry; the industry which, primarily via the inherited firm of H & H Gasbeton, so profitable that Niels and Lisa Blum accepted only the salary of a chief engineer and gave the surplus to a grassroots network of steady growth and many branches.

House for Peace

In 1981, 100,000 kroner was left over. That money was not to be wasted, and "since peace has not yet, as is known, broken out, the Peace Fund was

established with the goal of an independent basis to work for disarmament and peace nationally and internationally."

At its establishment the Fund received, in addition to the cash contribution as a gift from the Plum Foundation for its free disposal, Register Number 250, Christianshavn, Dronningens Street 14, plus 66,000 kroner cash for maintenance of the building. The value of the property is about 1 million kroner.

A collection of funds was needed, however, to make the effort more encompassing.

"And to make clear that it is a matter of work for peace across all party lines, we needed a broadly composed circle of friends. Most peace movements are regarded as oriented toward the Left or directly subsidized by the Soviet Union.

"Therefore I went to Ritt Bjerregaard and said that the Social Democrats seemed to be close to understanding the impossibility of nuclear weapons. She needed little time for reflection and I am happy that she said yes."

Ten Years of Support Tax Free

There are 21 members on the committee of the Circle of Friends. In addition to Ritt Bjerregaard they are: Conciliation Court Member Mette Koefoed Bjornsen, National Handball Team Captain Morten Stig Christiansen, Bishop Henrik Christiansen, Actress Ann-Mari Max Hansen, Union Chairman Hardy Hansen, former Folketing member Frode Jacobsen, Motion Picture Director Soren Krag-Jacobsen, Director Morten Jersil, Dentist Bither Knudsen, Professors Niels I. Meyer and Ove Nathan, Director Jorgen Norgaard, Authors Klaus Rifberg and Ole Wivel, Singer Sanne Salomonsen, Seminary Teacher Erik Sigsgaard, Musician Kim Sjogren, College Principal Finn Slunstrup, Union Chairman Kirsten Stallknecht and Farmer Christian Sorensen.

"A committee is to act as manager of the Circle of Friends and must now be regarded as complete."

For a fee of 250 kroner one can become a member of the Circle of Friends and receive two annual reports and reports on arrangements and efforts to collect more funds which go to the Fund, which in turn supports all grass-root peace activities.

"It is worth remembering that if one subscribes to 10 years of support it is tax deductible. We have not yet really started, but money is beginning to pour in--1,000 to 2,000 kroner per day. Fifteen thousand brochures have been ordered, and even more will be distributed."

Two Different Funds

Niels Munk Plum has a brother, Harald, who is an architect. He is also engaged in a fund, the 1 May Fund, something quite different, which supports

labor struggles, usually referred to as wildcat strikes, not approved of by Social Democrats. The two different "Plum Funds" are often mixed together and mistaken for each other, and this makes things a little difficult," says Niels Munk Plum, who asserts that the two funds have nothing to do with each other. Niels Munk Plum is 73. A sensible upbringing by Brandes and Horup-Rhode radical parents that gave him his rebellious attitude toward life, followed by "later events in my life, during the occupation, among other things, which made one critical of the system...the authorities said 'you must not do that' but one did it nevertheless, and nothing happened, which was totally undermining. And the faith we had in May, 1945, that now we would have a new system failed us. Therefore I am a critic of the system.

"Then came the anti-nuclear movement, which also undermined faith in the authorities...that it could be believed that one could oppose the nuclear bomb.

"In general when one circulates among the bourgeoisie, in particular among engineers, one gets a good insight into the inequalities. And at an advanced age I became a member of the Students' Society and what followed after that. But I have never been a member of a political party. Why? Because I have some of the right ideas, but with different emphasis, so that I cannot support one party."

[Question] Is that the anarchist in you?

[Answer] When I understand the anarchists it is on the basis of the thesis that power corrupts; we have many examples of this. But defining oneself as an anarchist sounds a little strong for people, for they do not know what an anarchist is. But anarchy is, I am afraid, people at the top becoming power-perfect. Therefore we should elect some executives and prevent them from making themselves rulers of the people. We must assure equality will continue to exist.

[Question] Isn't this the dream of Utopia?

[Answer] That sounds somewhat derogatory. But I think we have to have a few Utopias. If one wishes to do something more political with life, one must have ideas about where one wishes to go. I have in fact written an entire book about it. "Extraparliamentarism?" deals with it. A result of the Munk Plum Fund and the many applications we received, everything that has resulted in the grass roots movement.

No Better in the Soviet Union

What has happened east of the Iron Curtain makes it difficult to be Left wing oriented. People say, "But isn't it better in the Soviet Union?" And I must say, 'No, it isn't.' Over there they have state capitalism with an unbelievable bureaucracy. They don't have socialism, but people find that hard to believe. It is incomprehensible that in the long run one can make people live in a society, which like the Soviet society, lacks pluralistic

democracy. I really think the Scandinavian countries are fine. We have no corruption, and we have a capitalism which is supposed to be better than it is elsewhere. But I say, 'Why not make it better?'

[Question] Are the capitalists the enemy to you?

[Answer] The problem of the Left wing is that it fights internally about trifles instead of fighting for serious things. The great problems lie farther to the right. The enemy is capitalism as related to a society of equality. Capitalism views with equanimity the fact that those best equipped make themselves exploiters and rulers.

[Question] You are a capitalist yourself. Do you despise capitalists?

[Answer] I may seem to be a great self-contradiction, capitalist and Left wing oriented, but that is not so strange. It has been satisfying to be of use. We are not puritans. We have not dressed in sackcloth and ashes, as is expected of the Left wing oriented and critics of the system.

What is really strange is that so few people with a lot of money do not give away their money. There are so few idealists. The attitude is that politicians must take care of things I think is too slack. We are all politically responsible; everybody must do something. Idealism is not a term one willingly attaches to oneself, but I have done what I have done because I am a politically responsible person.

I despise the part of capitalism that is egoism and abuse. But the world I should like to see, in which everybody has equally much--and much because the earth is rich--could well be defined as a world of capitalism.

Money is Nice to Have

[Question] Would your attitude toward life perhaps have been different if you and your wife had not inherited all that money?

[Answer] No, not my outlook on life. It is very pleasant of course to have money, but this does not seem to be what it is all about. There are so many other things when one has exceeded the minimum for existence.

[Question] But society has not developed in the direction you desire?

[Answer] No, the pace is slow. And really, the title of my next book should be: "Why is the Pace so Slow?" For example, many of the ecological problems we face have been visible for years, but nothing happens. Industry is assessed increasingly ridiculous fines for pollution, so if once in a while one feels hopelessness one says it's no use. But what are we to do? Neither was Rome built in one day.

[Question] Lack of results has not with age made you join the bourgeoisie side?

[Answer] I am being called Left wing oriented, but for me it is a matter of equality in society, which is something more and deeper. Social principles are what I am interested in. And money does not only provide an easy life. One can very well have great problems. For example, that everybody in our situation thinks we are feeble minded. We know many with whom we have common interests, but they don't think we are all there mentally. They feel gravely offended by what we do. It costs something to be different.

Peace in the 1970s

[Question] Do you and your wife feel like pariahs, then?

[Answer] No. But our activities have led to a regrouping of our friends. Our friends are always much younger than we are. I don't object to it. Call it a cost.

[Question] The Plum Fund's charter states among other things that activities were to be supported that lay to the left of the political center existing at any time. During the existence of the Fund it was in the Social Democratic center. Now, when you, so to speak, court Ritt Bjerregaard, does it mean that you are more favorable to the Social Democrats?

[Answer] I am darned if I know. I am happy that the Social Democrats are aware of the dangers of a nuclear war. We, meaning Ritt and the Peace Fund, agree that peace is most important.

[Question] Why is peace the most important thing now. You joined the anti-nuclear movement as early as in the 1960s?

[Answer] That movement came to an end when it reached its goal: no nuclear weapons in Denmark in war or peace. But the strange thing is that that gigantic rearmament has continued during the 1970s with nobody really noticing it.

[Question] What did you yourself say during the 1970s?

[Answer] Well, I did not say much myself at that time, and I can ask myself why today. I concentrated upon ecological problems. In my opinion the balance of terror is an impossibility. But it is with us like with the press. Something is on the front page every day for a week and then it is forgotten.

We Must First End War

It was probably the deployment of the 572 missiles that got us started and all the grass root movements. But the pace is too slow. A massive popular movement is needed. It will probably have to come from below, so that the United States and the Soviet Union will resume disarmament negotiations.

[Question] Do you believe this will accomplish something?

[Answer] Yes. Especially if Regan is removed.

[Question] Do you believe, then, that Chernenko is any better?

[Answer] No. He is of the same kind. But if the United States now says they are stopping the arms race, I believe we can get the Soviet Union to the negotiation table. The Soviet Union is not the most aggressive. On the whole I believe it lagged behind the United States in the arms race and has been afraid of the United States. Even though there is wide disagreement about who is strongest, I believe that America is most dangerous if we are talking about a surprise attack.

[Question] The construction industry is doing better now. Will the Plum Fund reappear?

[Answer] No. First we must get rid of war, so that we can go on with the work for democracy. Not that the Plum Fund's goal has been reached; it certainly has not, but peace has the first priority.

A Solution for the Social Democrats

[Question] And there are many quarreling groups that would like to take care of the matter of peace?

[Answer] I do not wish to criticize anyone in particular, but one can ask whether it is not reasonable that the Communists also work for peace? Anybody has the right to do so, of course, but not to dominate the whole thing and take it over. The Peace Fund therefore counterbalances Communist dominance.

[Question] Is it not harmful for the movement that there is disagreement on the Left?

[Answer] The right wing does not in general show dissension because it is strictly disciplined, while the Left consciously rejects discipline. Everybody feels called upon to have an opinion.

[Question] The VS [Left Socialists] and the SF [Socialist People's Party] are also disciplined?

[Answer] A party cannot be run without a minimum of harmony. Disagreement comes because everybody feels entitled to an opinion. The Conservatives have never taken the other side, as the VS has at times.

[Question] But the Social Democrats are possibly about to go to the other side?

[Answer] Yes. And it has been underway for a long time; it is perhaps a solution. Apparently it has become a goal in itself to keep the party united.

[Question] Have you never been in doubt about your own viewpoint?

[Answer] No, but as I have said, what happens at times on the Left wing annoys me to no end. And I have no party book or God to ask what I should do.

But in the Plum Fund I was not alone, nor was I in the Peace Fund. On the top level, however, one must constantly adjust one's standpoints or one becomes a bystander.

11,256

CSO: 3613/140

PAPER ATTACKS SDP PROPOSAL TO USE MISSILE FUNDS FOR DENMARK

Copenhagen BERLINGSKE TIDENDE in Danish 12 Apr 84 p 12

[Editorial: "A Bit Further"]

[Text] "The message is clear; there will be no more funds." With these words, reelected parliamentary representative Jytte Hilden cemented his return to the front line of the Social Democratic parliamentary representatives' internal struggle about their position on national security policy. "We will establish greater credibility with voters if we do not allow ourselves to be swayed by the thundering NATO speeches," said Hilden following the representatives' decision to force the government to withdraw 48 million kroner from the pact's infrastructural program to prevent the money from being used directly or indirectly in connection with the deployment of missiles. This was party Chairman Anker Jorgensen's initiative and, judging from available reports, it was taken without the knowledge of SDP parliamentary representatives--at least those who understand these issues. As usual, however, Jorgensen's position was supported, and it is not surprising that Hilden is delighted. Once more, the Social Democratic Party has gone a bit further with a policy that is warmly supported by the leftist parties.

As far as parliamentary representative Lasse Budtz is concerned, this decision was a natural outcome of what has been said before. The word "before" should be taken with reservation by anyone who has carefully followed the developments within the Social Democratic Party. How far back does it go? It does not even go back 2 years. In Parliament 2 June 1982, the then Minister of Foreign Affairs Kjeld Olesen had to defend the social democratic government's position with respect to the infrastructure program--which is the NATO countries' joint investment budget. At that time Olesen asserted that by no means would Denmark help finance nuclear arms, but he insisted on Denmark's contribution to the budget. The money should not be used directly for missiles, but for "a large number of necessary projects, like providing fences, security arrangements, ramparts and a whole lot of similar things."

This was the Social Democrats' position until the change of government gave Jorgensen and his peace followers within the group the freedom to turn against the policy which they themselves were responsible for as a government party. Most Social Democrats still recognize Denmark's membership in NATO--though

hardly so the reelected Jytte Hilden--but they make it more and more difficult for themselves to maintain this position. Actually, they put a good face on the situation by proposing that the money they want to withdraw from NATO be used on Danish defense--on tanks or cannons, as Budtz says. But what will Danish allies say to that? Will they continue to tolerate the line the government is forced to follow? Social Democrats should think carefully before deciding what they will say during the parliamentary security-policy debate in May.

It might be useful to quote Kjeld Olesen once more. Last August he wrote that it was impossible for the Social Democratic Party to develop a security policy in cooperation with the Socialist Left Party (VS), the Socialist People's Party (SF) and the Radical Liberal Party. But is this not exactly what they are doing?

8952

CSO: 3613/138

VAN MIERLO PLEADS FOR CRUISE MISSILE DELAY

The Hague ANP NEWS BULLETIN in English 23 May 84 pp 3-4

[Text]

The Hague, May 22 - Former Defence Minister Hans van Mierlo, now a D'66 senator, today pleaded for a delay in the Dutch decision on deployment of Nato cruise missiles.

Van Mierlo told the First Chamber of Parliament the cabinet should wait, 'even if only a few months' before deciding whether to site 48 cruise missiles on Dutch soil from 1986. A decision is due next month.

He said the cabinet should resign if the conflicts within the coalition could not be resolved.

But he felt the moment might come when a compromise could be reached, when the cabinet as a whole no longer asked for Nato decisions on various alternatives, but the alliance would say what it was prepared to do.

He made a strong plea for more European control over when missiles should be launched and called for a freeze 'if necessary, one-sided,' on further European deployment, and on preparations at Woensdrecht airbase, the site chosen for Dutch missiles.

Special Conference

He urged the government to investigate the possibility of a conference for the prime ministers, foreign and defence ministers of the deploying countries, to discuss the links between the U.S./Soviet START talks on strategic missiles and the INF negotiations on medium range missiles.

Both sets of talks were broken off by the Soviet Union last Autumn in retaliation for deployment of the Nato missiles.

Van Mierlo warned there was a danger that the superpowers would sign a START agreement shortly after the U.S. presidential elections, thus reducing the chances of agreement on medium-range arms 'to virtually zero'.

The major powers could then protect their own strategic arsenals, and 'cover Europe with medium-range missiles, a disastrous development carrying unacceptable risks,' he warned.

The government leaders' conference should demand an American guarantee that no START agreement would be signed unless there was also a prospect of an INF agreement, he said.

Double Key

The conference should also discuss the 'double key' system, which would not leave the U.S. with full control over when the missiles were launched. The government of the country in which they were deployed would also be given a say.

Van Mierlo warned that a Dutch 'No' to deployment would have no influence on the Soviet decision over whether or not to return to the negotiating tables in Geneva.

He could not understand the lack of Dutch support for Italian premier Bettino Craxi's call for a limited nuclear freeze, which would be aimed at persuading the Russians to resume talks, he added.

CSO: 3600/34

DEPARTURE OF CHRISTOPHERSEN SHOULD NOT ENDANGER POLICIES

Copenhagen BERLINGSKE TIDENDE in Danish 8 Apr 84 p 14

[Editorial: "When They Play"]

[Text] So many are saying that the government is shaky and marked by internal differences. There are references to the finance minister's expected departure and to the economic minister's public statements; surprise is also being expressed about the prime minister's rather detailed orientation the other day with respect to the government's view of the economic situation and its plans for next year. Considering the mood that prevails today, it is understandable that Social Democrats call up and request an immediate consultation with the prime minister and the economic ministers. It is less understandable, however, that the Radical Liberal Party is also surprised about the government's action. A feeling of crisis develops under such circumstances, which is of no consequence at first except that it affects the disposition of those directly implicated, but which can later become a real crisis and thus dangerous. Waves of sentiment can be hard-hitting.

With all due respect to Henning Christensen, it is nonsense, of course, to imagine that the finance minister's departure will affect government policies. He is not that strong and a single person does not make that much difference. The Minister of Economic Affairs has projected himself as a strong personality over the years and he has also stressed this perception in his statements, but Anders Andersen is not a despotic minister who can decide things as if he were a one-man show. The government is a unit, a collective working cooperatively and with a common goal, but the prime minister has the direct responsibility for achieving this goal and for seeing that the work progresses in such a manner that it can be met.

No one with responsibility operates independently. No one inside the government can do it, and there are others outside the government who cannot do it either. This freedom is only awarded to Social Democrats, who hardly agree with the government parties about the goal and much less so about money. They roll along hoping to achieve something or other that will give them a chance to return to government power. But neither the Radical Liberal Party nor the Progressive Party can take the liberty of dallying along like this. Just like there may be those in government or government

parties who like to do solo performances, smaller supporting parties may be tempted to express their desire to determine the content of the show. However, there is no room for such more or less perilous equilibristic numbers. A clear parliamentary majority supports the basic outline of the economic policy. Individual parties and persons have an obligation not to resort to play.

A crisis atmosphere can develop from nothing--but once it manifests, it brings with it bad manners and thoughtless behavior.

8952

CS0: 3613/138

KNUD HEINESSEN ON DISPUTE WITH BJERREGAARD, SDP OPPOSITION ROLE

Copenhagen BERLINGSKE TIDENDE in Danish 8 Apr 84 Sect II p 4

[Interview by Solveig Rodsgaard: "Heinesen Criticizes Ritt Bjerregaard"]

[Text] "The Social Democratic Party's (SDP) self-evaluation is a thing of the past," said Knud Heinesen in this interview, but he called Ritt Bjerregaard to account for her involvement in the Friends For Peace Movement.

Knud Heinesen, deputy chairman of the Social Democratic Party, takes exception to Ritt Bjerregaard and Hardy Hansen's involvement in the Friends For Peace Movement. He is concerned that their affiliation with this movement prevents them from portraying an independent social democratic profile. On the other hand, SDP members have been told by the leadership that they are free to get involved in peace work in general. Heinesen also asserts that SDP's disputed security-policy course will be maintained, even when the party assumes government responsibility again.

"We agree with the peace movements in their demand for negotiations, reduction of tension and arms. Therefore, we have clearly told our members that we favor Social Democrats' involvement in peace work. But I am not enthusiastic about Ritt Bjerregaard's affiliation with the Friends For Peace Movement, and the reason is that it is also important for SDP to maintain its own profile in this matter.

"I read a statement by the Chairman of the Danish Communist Party, Jorgen Jensen, the other day, which expressed with praiseworthy clarity that Communists do not hide the fact they have chosen the Soviet side in this international struggle. Likewise, SDP should not hide the fact either that Denmark is a member of NATO and why this is so. We should stress our independence, both with respect to the Communist and the neutral side of the peace movement. The reason I include the latter is that SDP's security policy is not based on the idea that Denmark should be neutral.

"Furthermore, I feel that SDP has no reason to decry its own peace efforts. Therefore, it surprises me when Social Democrats now say that the party's

viewpoints with respect to security policy are strongly influenced and inspired by the peace movement. It would be fine if they were, but our security policy is actually a product of our own considerations."

"Do you think it is wrong for Ritt Bjerregaard and Hardy Hansen to have joined the Friends For Peace Movement?"

"I would not have done it if I were them. But I prefer to wait and see what this peace movement will support."

Critical of Debate

The deputy chairman of SDP is not pleased with the debate on Bjerregaard's criticism of Robert Pedersen's criticism of her--regarding "the elderly custodians of the Social Democratic museum," and the answer by Preben Bengtsson in METAL, in which Bjerregaard was referred to as a poisonous snake.

"I think it is important that the character of the debate within our party is such that it does not leave the impression of a deeply split party. Indeed, this can be taken care of by the central party leadership and by our parliamentary representatives, but party members throughout the country and local party representatives cannot handle this type of debate.

"It is possible to warn against SDP stagnation without referring to custodians who guard museum showcase relics. With respect to the substance of the debate, I want to say that SDP must be on guard against custodians who want to retain antiquated positions and weather vanes that change direction according to the current trend. The Social Democratic Party is not just a political party, but a popular movement, and it is important to know what moves the population. But we ourselves must consider current trends and make sure they are debated within the party before we change our course. In order to keep its voters, a party's renewals must come from within.

"I find it difficult to understand why Robert Pedersen felt compelled to revive a debate that had been completely exhausted, and I feel that Bjerregaard should have responded differently. The tone of Bengtsson's article in METAL was also miles apart from what might be expected of a Social Democratic labor movement."

Security Policy

With respect to the party's security-policy course, Heinesen said it was the right one and that "for a long time there has been a suppressed desire within the party to stress even more strongly than before the need to reduce tension and arms." He acknowledged, however, that he felt the party should have spent more time in some areas to prepare its members for the new security-policy course. But he rebuffed Pedersen's claim that he and Svend Jakobsen should have cautioned against SDP's change of course in connection with the 26-May agenda last year, the disputed dual resolution agenda.

"I can only speak for myself when I say that Pedersen is mistaken about that. I have had no objections to the substance of our security policy. I have no other explanation except that I may have said at one time or another that we could spend a little more time giving party members the needed arguments for the position we wanted to take with respect to Danish security policy. How quickly we should move in this area is a matter of temperament. I have no doubt that the security-policy course we have pursued in the last 18 months is strongly supported by SDP, like other European social democratic parties."

Heinesen also said he is absolutely certain that SDP will continue its security-policy line when the party once more becomes part of the government.

"There is no doubt whatsoever that SDP will continue its security-policy line, and I cannot see anything that would prevent it."

"It has been said during the debate that SDP can behave "independently" in opposition, but as a government party would have to return to a more moderate security-policy line."

"It would simply not be possible for SDP to change its security-policy signals considering our actions as an opposition party. This has been clear to us all along."

End of Self-Evaluation

Concerning the situation inside SDP today, Heinesen said he feels the party has reached a tenable clarification of its opposition policy. He also feels that the self-evaluation debate is over following the March joint meeting between the central board, the Action Committee and the Danish Federation of Trade Unions (LO).

"One of the conclusions reached at this meeting was that we must first of all use the opposition period to establish the party's alternative to the government's economic policy in accordance with our August 1983 program, the Road of Solidarity. I feel that we are finished talking about the past, finished burying it, and that we now agree to look ahead. I believe we have scrutinized the 1981 election, the 1982 situation and the 1984 election so many times that I find it difficult to understand how we might gain anything new from discussing it further."

Succession

The issue of party succession has been raised in SDP's self-evaluation debate--but Heinesen maintains that this issue is not being discussed among Social Democrats at any rate.

"This issue is not being discussed by the party's present leadership, by our parliamentary representatives or by competent party groups for that matter. And this is because there is no succession problem in the Social Democratic

Party. To my knowledge, the party chairman is not thinking about resigning. A conflict at the upcoming congress regarding the party chairman? This is absolutely out of the question. I do not believe there will be a single statement to this effect at the upcoming congress."

Heinesen's Job

"You are also being discussed. You have been mentioned as candidate for mayor of Copenhagen and for an international post abroad because you are supposed to be tired of Christiansborg?"

"I am supposed to have been mentioned in connection with a couple of other things too. But I have not received any requests of any kind. And I have no plans to leave Parliament or any of my present political positions of honor. This will sadden some and please others."

Heinesen also said that if he is reelected deputy chairman of SDP at the September congress it means that he will not accept a ministerial post in an upcoming social democratic government. He tried the combination Deputy Chairman/Minister for Public Works, Communication and Transportation for a short time and then Minister of Finance in the last two social democratic administrations and did not like it. And the post of finance minister no longer tempts him.

"I have been minister of finance for many years now and I would say I can easily do without it."

Unstable Condition

Heinesen, however, does not feel that SDP will remain an opposition party for very long. He believes the government's post-election course clearly shows that "it has chosen a short life in nonsocialist isolation. It is very clear that in all areas of central economic policy the government wants to support the least possible majority together with the Radical Liberals and the three North-Atlantic mandates and, as we look at the problems ahead, I feel that the parliamentary situation is very unstable.

"There are balance-of-payment problems and, before long, wage negotiations will be coming up. It should be noted that there is complete agreement between SDP and the unions about the principles involved in a contract solution and about the political demands. This means that the unions and SDP will continue to maintain close contact, both before and during the upcoming wage negotiations. I also want to point out that the LO chairman recently clearly expressed the desire for three-party negotiations and that SDP take part in the political solution."

8952

CSO: 3613/138

KIBAR ASSESSES LOCAL ELECTION, ADVISES MAYORS

Istanbul TERCUMAN in Turkish 8 Apr 84 p 5

[Text] Exactly 15 days have elapsed since the regional elections of March. Since then, comparisons have been made and analyses of several topics including the number of votes received by each party during the elections have been conducted. In my opinion an analysis of these matters should await a time in which nerves will be somewhat calmer and in which actions are dominated by logic rather than feeling. It seems to me that the elections of 25 March have once again demonstrated a much greater consciousness on the part of the voting public in comparison to the elections of 1973 and 1977. The elections of 1973 and 1977 had ended with Left wing success. On the other hand, the elections that were held fifteen days ago are significant because they indicate to what extent this situation has changed. As such they must be analyzed and correctly evaluated. Let's use Izmir as an example. In the municipal elections of 1973 the Left's candidate for mayor received almost 40,000 more votes than the Right's candidate. This lead dropped to over 20,000 in the elections of 1977. The candidates were well known persons in Izmir. The situation completely changed by the elections of 25 March and this time the Right's candidate who was an unknown in Izmir received almost 90,000 votes more than his Left wing opponent who was a well known personality. This indicates that the new generation of voters has chosen not to support the Left. It is still a little early to discuss why this has happened. I believe that contrary to expectations, the municipal elections were dominated by thoughts and considerations that went beyond personalities. It should not be doubted that with the passage of time intelligent politicians will focus upon these issues and provide direction to policies of the future. Political parties without an ideology, heartfelt cause or solid foundation will be short lived. Let us not forget that those who are combative do not die easily. In particular, the elimination from the political scene of those who are patient in addition to being combative is virtually impossible. Determination and patience are man's greatest helpers.

The practice of electing Chiefs of District Municipal Services in addition to a Mayor in the cities of Istanbul, Ankara and Izmir is one that is new to our country. Like everything new, it is likely to go through a period of adjustment. A substantial degree of conflict in authority may be expected. However, no one should doubt that the cities and the municipal leaders would suffer if this conflict were to reach dangerous proportions. Izmir is lucky that the mayor of Izmir as well as the municipal leaders of Karsiyaka, Bornova and the Central District come from the same political party. This is indeed a great advantage for the establishment of understanding among them. I am unable to tell if understanding and unity among them would have been possible in the event that (heaven forbid) they had come from different parties. Things would become particularly difficult to manage if municipal leaders nominated from the same political party were to claim that they had won election on the basis of their personality. I do not know too much about other cities but certain unpopular claims, statements and actions are being witnessed in Izmir. The law is clear and mayors have been elected. It is natural that the mayors will be the chief municipal authorities. What is important is that the four leaders in Izmir try to work together in harmony with understanding and tolerance towards each other. Self aggrandizing statements such as "he owes his election to me" are very much out of place. The newly elected leaders have made so many promises that keeping even a small fraction of these will constitute a major accomplishment. The leaders should not forget that they must uphold the reputation and the integrity of the political parties to which they owe their positions. They must think of the good of the whole rather than their individual welfare.

If I may be forgiven, as a former mayor with a little experience, I have some advice to give you. I write these things so that you will avoid the many mistakes that we made. When I was elected Mayor in 1963, I thought for a while that I could do anything and decide on everything. You will not be able to change the existing order very easily. Change is easy to talk about yet difficult to achieve. My first advice is that you say very little if anything at all. Do not forget that you are new to the job or that your knowledge and experience are limited. You occupy a very prestigious position and to be elected to the highest office in a large city is naturally a source of great pride. Yet, do not forget that you are being watched by all city dwellers. Your electorate is unforgiving and is watching you very closely. The person who hits his foot against a rock while walking in the street will quickly blame you. The inattentive person who fails to see a ditch in the street will blame you when he hurts himself. He will also not hesitate in blaming you for all the mistakes of the past. Particularly because you have made many promises, your electorate will expect you to promptly complete everything that

needs to be done.

Stay clear from hasty appointments, a tendency to ingratiate yourselves with friends and a feeling that you know everything. Remember that you need the help of others. I wish you success and may God help you in serving those who voted for you as well as those who did not.

9491

CSO: 3554/199

NEW ARMED FORCES COMMANDER OTTO LIND PROFILED

Copenhagen BERLINGSKE TIDENDE in Danish 15 Apr 84 Sct II pp 1,2

[Article by Michael Ehrenstein: "New Defense Chief Well Prepared"]

[Text] O. K. Lind's career shows an appropriate mixture of administrative and operative experience for the position of armed forces commander.

Career

Otto Katharuse Lind, born 28 November 1920. Graduated from Army Officers' School 1943; General Staff Intelligence Department 1943-44; company chief and battalion chief in Queen's Guard Regiment; office chief in Defense Ministry 1957-61; NATO Defense College 1963-64; section chief in Army Staff 1964-70; in Defense Staff 1970-73; colonel 1971; chief of the Jutland Brigade 1973-74; major general and chief of the Operations Staff of Defense Staff 1974; chief of Eastern Defense Command 1977-80; temporary grade as Lt General, chief of Defense Operative Forces and Unitary Command of the southern part of NATO's Northern Region from 1980.

The country's next defense chief does not resemble the picture of the typical soldier, however, members of the Danish command in Germany after the war even as early as that noted the then company chief's energy and military talents.

"One immediately took notice of Lind, and there was general agreement that here was a man who would reach the highest posts in defense," says a man who was stationed at the Itzehoe garrison and participated in the exercises Danish forces held jointly with the British Rhine army.

In October, Lieutenant General Otto K. Lind, chief of Defense Operative Forces and chief of the NATO Unitary Command, was made general and armed forces commander. That the appointment was greeted with satisfaction in the defense forces is apparent from the conversions BERLINGSKE TIDENDE has had for the purpose of this portrait. In the Navy as well, which was in line for the position, there is satisfaction. The Navy's favorite, chief of the defense staff vice-admiral Svem E. Thiele, is at the present time facing an

auditor's examination in his continuing dispute with Colonel G. K. Kristensen. Appointment of the Navy's candidate would at the present time be politically impossible because Defense Minister Hans Engell would thereby anticipate the outcome of the examination.

Short Term

Otto K. Lind will be 64 barely two months after his appointment, and with the normal retirement age of 65 the new defense chief is expected to have a brief term in the position, but important decisions are expected in coming years.

The current negotiations on a defense agreement are expected to be concluded this summer. But immediately thereafter begins the concrete implementation of the text of the agreement, which under any circumstances include extensive new materiel procurement, to be incorporated into the system in accordance with new appropriations. That this task is not as simple as it may seem is shown by experience of the 1970s, when defense, despite new appropriations, suffered materiel shortages because a number of contracts were delayed.

In addition, there is the length of service which is to be altered, as was agreed early in the defense negotiations. The new defense chief comes to these tasks from the most "defense coordinate" position in the defense leadership. As chief of BALTAP [Allied Forces Baltic Approaches], Otto K. Lind has since 1980 worked with the Army, the Air Force, Navy units and foreign forces. A good starting point for a new defense chief, say several sources.

Surprise and Disappointment

Otto K. Lind's career shows that he has followed the optimum pattern for career officers by shifting between the administrative and operative. At even intervals, the necktie has been exchanged for a combat uniform. This provides a broad background when in the future things are regarded from some place above.

On the administrative level he was in 1970 involved in establishing the long-term planning group directly under the chief of staff, serving as its chief for three years. During that period few significant changes were made without O. K. Lind being involved, not when Lind, after a short interval in the Jutland First Brigade, became the chief of operations of the Defense Staff.

Thereby the ground was prepared for his appointment as chief of the Defense Staff and great was the surprise of the entire staff and even of the defense staff on several levels under the minister when the then Defense Minister Orla Moller called Lt Colonel G. K. Kristensen home from the NATO Defense College in Rome and made him Lt General and Chief of the Defense Staff. O. K. Lind was himself very disappointed by the obvious passover according to sources who witnessed the event at the time, and he disappeared from the circle of decision makers for three years as chief of Eastern Regional Command.

No Stories

"Good qualifications as chief, inspiring and unifying, a very outspoken type, but fair to his subordinates," says one who had Otto K. Lind as chief in Office 1 of the Defense Ministry from 1957 to 1960.

People who were subsequently his colleague in both administrative and operational functions add: loyalty, but he never became a yes-man. The new defense chief is ready to fight for his viewpoints and does so publicly, as evidenced by his warnings against the Social Democratic zero solution for defense in 1980, and his criticism of the defense chiefs' changing of the name "Defense Chief" to "Defense Inspectors" in 1982. "You will find nothing derogatory about Lind, nor is he of the type about whom stories circulate," states another investigation of Otto K. Lind, who is also described as an open man, except for two things. One of them is his middle name, Katharus, whose origin and background--as far as is known--the General has never divulged.

The second is Lind's experience during the occupation. After 29 August 1943 he participated in resistance efforts. Next year he was arrested by the Gestapo. In Gestapo headquarters in University Park in Arhus he was interrogated under torture, with unsuccessful attempts to wrest secrets from him.

Unlike others, O. K. Lind does not advertise this period of his life, nor is it mentioned in Defense biographical data, approved of by Lind himself.

The new Defense chief has never been engaged in party politics. He is a member of no political party, but is considered to have bourgeois attitudes, with sympathy for the viewpoints of the Conservative Party.

Privately, O. K. Lind spends much time keeping up with the international debate on security policy. He regularly receives the publications of The International Institute for Strategic Studies of London, and is regarded, not least in NATO circles, as well oriented in foreign policy matters.

This much reading does not leave much time for non-business avocations, but the new defense chief is an avid gardener, and among his neighbors it is taken for granted that one or more beds of roses will quickly be planted around the residence near Vedbak into which he will move from the condominium in the Viborg suburb of Birgittelyst.

11,256
CSO: 3613/140

ARMED FORCES STAFF: SOVIET MISSILE-FIRING ON PLANES ACCIDENTAL

Stockholm DAGENS NYHETER in Swedish 12 May 84 p 5

[Article by Bengt Falkkloo]

[Text] In June of last year rockets from a Soviet vessel were fired at two Swedish Viggen planes. The incident occurred over the southern part of the Baltic Sea during a routine reconnaissance flight. The military staff believes, however, that the occurrence was an accident.

The defense staff now has a secret report with secret pictures of the incident. The material shows a Soviet vessel firing two rockets toward the Viggen planes.

The defense staff believes that the Swedish planes were fired on by accident. The Swedish planes entered a training area inadvertently.

The incident occurred last year when Swedish frontier guards discovered that several unidentified ships were in the southern part of the Baltic Sea. The F 17 air base in Kallinge was informed and two planes were sent up to identify the vessels.

Routine

Every year Swedish planes fly over the Baltic Sea on purely routine missions to identify the movement of foreign ships.

After several minutes the Swedish pilots discovered a group of warships from the Warsaw Pact. They made a routine descent to a lower altitude to photograph and identify the vessels.

At that time, two rockets were fired toward the planes, although the pilots did not even notice this.

After their mission was accomplished, the Viggen planes returned to Kallinge and their films were developed. It was then that intelligence personnel discovered that the Swedes had been fired on.

Unintentional

"But the rockets were not especially close to the Swedish planes," said Bertil Lagerwall of the defense staff. He said the shots were not aimed at the Swedish planes.

The commander in chief's report states, more or less, that "the Swedish planes happened to enter air space where rocket training was being conducted."

The incident occurred in international waters, but there had been no warning that the exercises would occur, although such warnings are not required.

The pictures show that the rockets were not close to the Swedes.

After the incident last summer, however, new regulations have been issued by the air force staff. They state that pilots should be more careful in cases of this type.

9336

CSO: 3650/203

BACKGROUND TO BOFORS' RELIANCE ON EXPORTS TRACED

Stockholm NY DAG in Swedish 5 May 84 pp 16-17

[Article by Ingemar Svensson]

[Text] Ban weapons exports. Close Bofors. Convert to peaceful production. These demands were made during the early 1930's. Bofors was the largest Swedish arms exporter. Eventually the more and more persistent rumors were confirmed: Bofors was a Swedish arms producer for the German Krupp company after World War I, when Krupp was prohibited from producing military materiel.

"There is no reason to beat around the bush," Arthur Engberg wrote in 1928 in SOCIALDEMOKRATEN. "The truth is that Krupp of Germany has transferred its interests to Bofors. The truth is that, as a result, within the confines of our own country we have a sphere of interest that undoubtedly will place a moral on Sweden's relationship to the Geneva Conventions and may cause serious damage to our country's international interests."

Engberg's editorial was aimed at the export of arms from Sweden, which basically was synonymous with arms exports from Bofors.

In 1932 the Social Democrats came to power. Arms exports continued. ARBETARTIDNINGEN, then published in Goteborg, wrote in an editorial 50 years ago:

"The Social Democratic ministers, who previously attacked Swedish arms exports in parliament, now are signing all the export licenses the weapons industry asks for."

The arms were often transported by way of Goteborg Harbor and these shipments were exposed from time to time in this newspaper.

Owned By Krupp

No clear picture of Bofors' ownership was given. The Bofors board refused to release this information. On the other hand, it did not deny press reports

indicating that the German arms giant Krupp owned a considerable amount of stock in the company. Not until 1935 was it confirmed that for 14 years Bofors had been an arms manufacturer for the Germans.

Three years earlier, in 1932, the government had appointed a military materiel commission. The charge of the commission was signed by the Social Democratic prime minister, Per-Albin Hansson.

"The fact that private economic interests may be encroached upon cannot prevent measures from being taken that are necessary from the standpoint of a consistent policy of peace," said a statement justifying an examination of the possibility of total state control over Swedish production of war materiel. "There are several possible methods of exercising this control," Per-Albin wrote. "Beyond all doubt, the most certain method would be, after a certain transition period, to prohibit the private production of military materiel."

The government also cited a 1932 resolution of the French Chamber of Deputies, which recommended a state monopoly as a necessary part of full and effective controls.

Nationalization

The report was presented in 1934 and classified immediately. Legislation was proposed by the government the following year. The legislation was limited to supervision of production. The question of nationalizing Bofors and other firms was swept under the carpet.

The commission did not recommend nationalization, but it was charged with studying the possibility, which it did dutifully. The commission's report contained material on nationalization, but these sections were not included in the proposed legislation. Only a small group in parliament had access to the classified report. The great majority of members of parliament were and remained unaware of much of its contents. Now the document has been declassified.

"There is no doubt that the most effective method of controlling the military industry would be to create a state monopoly in this area of business," the report stated. But it advised against this step because it thought a nationalized company could not keep up with technological advances as well as a private company could--i.e. it could not manufacture the most lethal weapons.

The commission opposed nationalization for defense policy reasons. These arguments were presented by high-ranking officers who testified as experts. Their opinions were gratefully received by the commission. It was also concluded that exports made Bofors profitable and that exports probably would cease after nationalization.

Secret

This argument was among those portions of the report that were kept secret. Otherwise, it certainly would have been welcomed by the labor and peace movement which led the campaign against exports.

The government did not recommend nationalization and parliament certainly passed no such resolution. The exports continued. The arms buildup that took place after the German Nazis took over in 1932 increased sales dramatically.

Even during World War II, astonished workers at Bofors saw trainloads of war materiel from Bofors shipped to the German aggressors. This materiel added to the German arsenals, but it was not vital.

"The weapons from Bofors during the war were not vital to the armies of Hitler Germany," said Wolfgang Vilhelmus, a professor at Greifswald, GDR, who is quite familiar with German-Swedish trade relations.

More Than Krupp

Krupp sold its interests in Bofors in 1935 at an enormous profit. How could it happen that Krupp achieved this important position in Sweden.

In reality, Krupp was not the only German arms industry represented in Sweden. A good summary may be found in the report of the military materiel commission:

"The commission has learned that a considerable portion of the Swedish industry that produces military materiel is actually owned by foreign interests. AB Flygindustri in Limhamn is nothing more than a branch of the German company Junkerwerke. German interests own about two thirds of the stock in AB Landsverk of Landskrona. With regard to our leading manufacturers of military materiel, AB Bofors and AB Bofors Nobelkrut, it has been found that a considerable share of the stock in AB Bofors is owned by Krupp of Essen." The report continues:

"The purpose of these transactions on the part of the Germans is obvious. They are the result of the ban on German production of military materiel in the Treaty of Versailles. By establishing the plant in Limhamn, Germany has been able to manufacture Junkerwerke war machines and even export some of its planes. By acquiring stock in Bofors and through contracts with this company, Krupp in all probability has been able to keep up with developments in areas in which Bofors is active."

The report stated that even though the business arrangements with Krupp had been advantageous to Bofors, the ownership of stock by the Germans must be seen as highly dubious from the standpoint of both foreign and defense policy."

Deceit

The first contacts were made as early as 1919. This occurred only several months after Germany had signed the peace agreement. Birger Steckzen wrote in his history of Bofors:

"While the Bofors delegation was visiting, the allied control commission was supervising the dismantling of Krupp's expensive machine park for the production of war materiel, lathes, drills, presses, and other machinery."

Can this deceit be presented in a more revealing manner? While the despised war industry was being dismantled, the "cannon king" was at his headquarters negotiating to save production.

The visit by the Bofors delegation took place in October 1919. One month earlier Commander de Broen had made the initial contact on behalf of Bofors. Krupp had requested that Bofors send a representative to Essen. The Bofors management was astounded by the magnitude of the proposed deal. Initially, Bofors would take over Krupp's sizable orders from the Netherlands. The Swedish government (still nonsocialist) was informed, but had no objections.

One important result of the deal was that Krupp purchased stock in Bofors. The share capital increased by about one third, representing new stock worth 4.5 million kronor, which was totally controlled by Krupp. Bofors stock could not be sold to foreigners, but that presented no major obstacle to the company's clever lawyers. AB Boforsintressenter was formed and it purchased the entire block of shares. Krupp, of course, was the sole owner of AB Boforsintressenter. The board consisted of one person who also was a member of the board of directors at Bofors. In 1928, after record profits were noted, Krupp purchased new stock for an additional 1.8 million kronor. By then the share capital had risen to 19.8 million kronor.

Thanked Hitler

In the beginning Bofors manufactured Krupp weapons on license on a case-by-case basis. After several years, a general contract was signed. German officers supervised test firing of the weapons. The export of artillery from Bofors continued to increase. In 1927, for example, exports amounted to 2.5 million kronor, but by 1932 the figure had risen to 10 million. The profits went up and up.

Krupp's plants in Germany had reopened, although unemployment was still high. Krupp chief Gustav Krupp-Bohlen supported various right-wing politicians, but finally settled for Hitler. Thyssen, another industrial magnate, had already invested heavily in him. One week before the last election and Hitler's takeover, 25 industrialists met at the invitation of Hermann Goring. Krupp-Bohlen, as the greatest among them, sat at the place of honor beside Hitler, who described his program. Krupp-Bohlen was satisfied and convinced. He promised to raise 3 million marks for the election campaign immediately, one third from his own company.

While Krupp was circumventing the Treaty of Versailles through dealings with Bofors and other companies, it established its own research division in Berlin, where new weapons were designed. Tanks were called "agricultural tractors." In 1935 when Hitler trampled the peace treaty underfoot, Krupp-Bohlen sent him a telegram stating that "Krupp was prepared, after a brief startup time, to begin the rearmament of our German people with no deficiencies or gaps in our technology."

Good Deal

A new law against front companies and the revelation that Bofors was manufacturing arms for the Germans caused Krupp to sell its Bofors stock in 1935. Since Krupp's own plants were operating once again at full capacity and the Treaty of Versailles had been openly violated, there was no longer any need for the Swedish arms producer.

Krupp also made a profit by selling the stock. The arms buildup before World War II was in full swing. Krupp's investment in Nazism began to yield returns. In 1932 Bofors stock was at 37 kronor, despite its successful export figures. In 1935 the situation was different. Krupp sold out at market value: 150 kronor per share. The German ownership of Bofors stock, which was "highly dubious from the standpoint of both foreign and defense policy," was a good deal for the weapons manufacturers.

9336

CSO: 3650/203

PRIVATE SECTOR ASKS TO MANUFACTURE MILITARY VEHICLES

Istanbul DUNYA in Turkish 8 May 84 pp 1,7

[Text] The private sector is seeking to produce military vehicles needed by the Turkish Armed Forces. It claims that all of the administrative vehicles needed by the military could be produced by established firms, and that production of special-purpose vehicles for tactical use could also be achieved through cooperation between the military and the private and public sector.

In pointing out that some of the automobiles and all of the trucks, tractors and buses used by the Armed Forces could be produced in plants currently existing in Turkey, private sector representatives maintain that the sector has the capital, technology and physical capabilities to produce 4 X 4 land rovers as well, and that production could begin if a license were obtained. They claim that there is also a very good chance that the trucks, buses, military ambulances and transport vehicles used by the military in administrative services would be marketable in the Middle East. They further argue that if the private sector were to get involved in producing military vehicles, the average output of private sector firms would increase, as would the industry's capacity utilization output during periods when sales decline. Finally, they say that if a dialogue were established with the Armed Forces with regard to private sector production of military vehicles, and if military vehicles were produced in plants producing civilian vehicles, significant logistics support could also be developed.

Need for Private Sector Contribution to National Defense

Cavit Citak, Director General of Ercan Automotive Industries, remarked that the Turkish private sector could make a high-level contribution to Turkish national defense through its industrial capabilities. He said that the Armed Forces and the private sector need to establish a dialogue in the long and short term, adding: "The military has its own way of doing things as far as national defense is concerned. It has not been possible for the

private sector to initiate and maintain a dialogue on production of military vehicles because the subject is so sensitive. We see this as a flaw in the system. It keeps the private sector out of the defense industry and prevents industrial investments from keeping pace with current realities in Turkey."

Citak noted that, to his knowledge, some of the automobiles and all of the trucks, tractors and buses needed by the Armed Forces are produced in Turkey. He added: "The private sector has the technology and physical capability to produce 4 X 4 land rovers too. These vehicles could be produced if a license were obtained. Therefore, as far as we know, the private sector can produce any kind of ground transportation vehicle that the military needs for administrative services."

Production of Special-Purpose Vehicles

Cavit Citak indicated that, with the exception of armored vehicles, the private sector has the physical capability to produce special-purpose trucks, tractors, bridge layers and similar vehicles used in tactical services (e.g. guerrilla warfare or urban uprisings). He made the following comment with regard to production of armored vehicles: "Armored vehicles, amphibious trucks and similar conveyances are not being produced in Turkey. Through projects that civilian and military experts would undertake jointly, enough of these vehicles to meet the needs of the Armed Forces could be produced. If the private sector were to get involved in this, the average production of firms would be up. Moreover, production could increase in periods when sales were down, and the industry's capacity utilization output would likewise be increased significantly in this way. In addition, substantial logistics support could be furnished as a result of this joint undertaking by the military and private sector."

Military Cooperation with the Private and Public Sector

Feyyaz Berker, President of the Board of Directors of Tefken Corporation, stated that the military should cooperate with the private and public sector in producing, maintaining and repairing military equipment and vehicles for Turkey's defense. In pointing out that existing firms could be used for producing these vehicles and equipment, Berker commented: "Turkey is a country that gets military aid from abroad. This is why it must develop its own military strength parallel to developing its economic strength."

Calling attention to the fact that the private sector meets a large portion of military requirements in developed countries, Berker continued: "The private sector in Turkey has built up its resources and technology in this area. If its resources and

technology were taken advantage of, Turkey could match its current exports to the Middle East. This would be accomplished through long-term planning and as a result of ensuring future markets through long-term agreements."

Substructure Already Exists in Turkey

Mentioning how Turkey has reached the level where it is capable of producing a variety of vehicles, Berker concluded by saying: "Quality steel is produced in Turkey. The automotive sector could produce armored vehicles by using this steel. The private and public sector could also cooperate on armored vehicle production."

12279

CSO: 3554/224

PRIME MINISTER SCHLUTER CITES SUCCESS IN ECONOMIC PROGRAM

Copenhagen BERLINGSKE TIDENDE in Danish 15 Apr 84 p 8

[Article by Michael Ehrenreich: "Recovery Has Taken Hold"]

[Text] "The government is ready to pay the price: A slightly higher deficit in the balance of payments this year as compared to last year should be no cause for alarm," said the prime minister at the meeting of the Conservative Party Committee.

The economic recovery has taken hold, and a significant part of the economic improvement will in the near future come from exports. Therefore there is real cause for the optimism noted in business at the present time.

So said Prime Minister Poul Schluter yesterday at the Conservative Party Committee meeting at Christiansborg, where the prime minister, referring to a number of concrete points, painted a bright picture of economic developments.

--The number of lost jobs resulting from enterprise closings have been reduced by one half from early 1983 to early 1984.

--From 1982 to 1983 investments in private industry rose by 10 percent. From 1983 until this year they will, according to the prime minister, probably rise by another 15 percent.

--Enterprise stock on hand was increased massively in the first part of 1984, a sign that enterprises anticipate increased production and sales.

--During the past three months orders to industry have been 20 percent higher than last year in the domestic market and 27 percent higher in the export market.

"There is therefore reason to believe that the turnaround in unemployment that began in 1983 will continue in 1984 with increasing employment in industry. It should be noted this is not due to increasing employment in the public sector. We have reason to expect a real drop in unemployment in 1984," said Poul Schluter.

The prime minister said that the deficit in the balance of payments was reduced by 50 percent in 1983, but showed a tendency to increase in the last half of the year.

"It is possible that the deficit will be some billions higher in 1984 than it was in 1983. That is the price we had to pay for the economic improvement getting started. It should be no cause for alarm. It is only a temporary ripple that will not prevent us from reaching the goal: that of eliminating the deficit in the balance of payments in the course of three or four years," said Poul Schluter.

11,256

CSO: 3613/140

UNANTICIPATED INDUSTRIAL GROWTH CREATING NEW JOBS

Copenhagen BERLINGSKE TIDENDE in Danish 21 Apr 84 Sct III p 1

[Article by Frank Dahlgaard: "Industry has many Jobs and Creates an Unexpected Number of Jobs"]

[Text] The number of jobs in industry is now growing at unexpected speed, as do new orders and production.

This is apparent from a new "Economic Barometer for Industry" which shows that enterprises are in the process of markedly increasing the pace.

The new economic assessment by DANISH STATISTICS is based upon information from the leaders of about 650 large industrial firms which together account for over 60 percent of all jobs in Danish industry.

It cannot be asserted that the actual increase in the first quarter of 1984 in new orders, production and employment clearly exceeds industrial expectations of only three months ago. In particular, employment has developed more positively than expected, writes DANISH STATISTICS.

In the second quarter industrial leaders expect continued strong increases in new orders, production employment and investments. Four of 10 enterprises anticipate increased production, while only one of ten expect reduced production in coming months.

Expectations of rising production are highest in capital goods enterprises, and less pronounced in branches of industry which produce consumer goods.

Total industrial orders are seen to be higher than normal, and order books are particularly full in industries that produce capital goods. Export orders are assessed as particularly high, while orders for the Danish domestic market are closer to a normal level.

DANISH STATISTICS' new "trend indicator index" for industry shows the highest value thus far for the past four years in which the indicator has been calculated.

11,256

CSO: 3613/140

TOKYO TO REVIEW CURBS ON IMPORTS OF GERMAN FOODSTUFFS

Munich SUEDEDEUTSCHE ZEITUNG in German 27 Apr 84 p 25

[Text] In conversations with his Japanese counterpart Shinjiro Yamamura in Tokyo, Federal Minister of Food and Agriculture Ignaz Kiechle (CSU) asked for easier conditions for German farm exports to Japan. Kiechle complained that the Japanese government, for example, is allowing other suppliers to import certain types of fresh meat whereas it refuses to accept shipments from the FRG with the long outdated argument of hoof-and-mouth disease. As was announced after the approximately 1-1/2-hour meeting between both ministers, the Japanese side promised to review Bonn's complaints.

Kiechle, who visited the German performance show and who inaugurated a "German Week" in a department store in Tokyo, expressed the concern to the press that the could be falling seriously behind in the race against the United States, Australia, and New Zealand for improved access to the Japanese market. It is regrettable, he said, that, in spite of a growing demand by Japanese consumers for foreign specialties in the case of meat and sausage products, cheese and wine, German farm exports to Japan in 1983 dropped by about 12 percent with a figure of \$86 million. A "certain protectionism," Kiechle warned, can be detected not only in high taxes and customs duties but also in unnecessarily complicated testing procedures for import products and in the often very slow customs processing.

Hans-Guenter Sohl, honorary president of the BDI (Federal Association of German Industry), in talking to leading representatives of Japanese and German industry, came out emphatically against the "recently frequently reported story about the alleged German disease." In his opinion, the German performance show in the Japanese capital will certainly contribute to the correction of the error to the effect that German industry has fallen behind in technological terms. North Rhine-Westphalia Minister President Johannes Rau felt that the performance show, which was opened on 23 April, was

extremely positive. The number of 78,000 technical visitors by Wednesday evening, he said, was "far above our hopes." Starting on 27 April, the fair will also be open to the general public.

Worry About Competitiveness

In the opinion of Yoshihiro Iuayama, president of "Keidanren," the biggest Japanese businessmen's association, the competitiveness of Japanese industry could be threatened in a few years. In a conversation with Baden-Wuerttemberg Minister President Lothar Spaeth (CDU), Iuayama in this connection referred to Japan's constantly rising wage costs. The wage level, he maintained, for example, is definitely higher than in the United States. Iuayama continued that Japanese industry but also science and research perhaps did not recognize the challenge and the great economic efforts made by the United States under President Ronald Reagan.

Desire for Cooperation

German Research Institute in Japan? The federal government will probably before the end of this year make a decision on the establishment of an institute for the exploration of modern Japan in Tokyo or in the Western Japanese university of Kyoto. State Secretary Hans-Hilger Haunschild, of the Federal Research Ministry, during the German performance show announced that the institute would be oriented above all toward the arts and social sciences. Scientists from the FRG however are also to be given the opportunity of intensively studying technological developments in Japan. The state secretary expressed regret that, even 10 years after the signing of the bilateral technology agreement, cooperation was essentially confined to an exchange of information, with the exception of a big German-Japanese-American reactor safety research project. But while there has in the meantime been open discussion about the intensification of cooperation in the nuclear energy field, the Japanese are very reluctant in their approach to the area of aviation and space travel out of political considerations for the United States and are more inclined to pursue expensive projects on their own.

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CSO: 3620/299

DEVELOPMENT MINISTER PROPOSES SUPPORT FOR EXPORTS TO ASIA

Bonn DIE WELT in German 24 Mar 84 p 2

[Article by Christel Pilz: "Bonn Discovers the World's Market of the Future: ASEAN"]

[Text] The fact that President Carstens at the end of his term of office visited the two ASEAN countries of Indonesia and Thailand was considered by the hosts to be a special expression of friendship. Indonesia, Thailand, and the other four ASEAN countries desire the intensification of their economic bonds especially with the FRG. Not only because German technology is still considered to be the leading technology in those countries but also because no German administration ever displayed any political ambition in those countries. Bonn is not Washington, Moscow, or Tokyo.

All past appeals by the ASEAN countries for more German investments met with little response. Bonn and the economy were geared toward Latin America, Africa, and the Middle East in their relations with countries of the Third World. Only when economic growth began to falter was there any increase in the interest in the ASEAN region which, in addition to Indonesia and Thailand, also includes Singapore, Malaysia, the Philippines, and the oil-rich Sultanate of Brunei. With annual growth rates of between 7 and 10 percent, the ASEAN countries during the last decade were the world's most dynamic growth center. It would seem that they would remain just that, after they, apart from the Philippines which are stuck in a home-made crisis, overcame to a great extent the consequences of the worldwide economic crisis. Together, the ASEAN countries have a market of 280 million people.

A German chancellor was a guest in Indonesia for the first time last November. Is the trip by Carstens now a signal that Bonn is becoming active in Southeast Asia? A goal-oriented foreign trade policy is in demand in the ASEAN countries and is urgently necessary for German industry. This involves not only the securing of markets for the future. It also involves the preservation of the position of a country which has a weighty role to play on the world stage. When Assistant Secretary of State of the United States Lawrence Eagleburger recently declared that America would in the future be more

interested in the Pacific than in Western Europe, many Germans were shocked. But Eagleburger was only describing the logical consequence of a process which began years ago but which has been extensively ignored in the FRG, that is, the shift of the world's economic center from Europe to Asia. Since 1979, America has been trading more with the Pacific area than with Western Europe. Its trade with the ASEAN countries alone over the past 10 years grew by 20 percent each year; in 1982, the volume was \$30 billion.

Europe lost its traditional role as the world economy's moving force to Japan and America. The Pacific area even today numbers 2.6 billion people. That comes to 56 percent of the world's population. In the year 2000, the figure will be 3.5 billion. All ASEAN countries are guiding their planning by the year 2000. By that time they want to belong to the club of "new industrial nations." But who in Germany thinks that far ahead? Other European countries are establishing themselves in Southeast Asia with goal-oriented concentrated efforts coordinated between their governments, their private industry, and their banks. On the other hand, the German economy--as was recognized by Development Minister Juergen Warnke--is "underrepresented" in Southeast Asia. To catch up, it needs support from Bonn. Warnke (who accompanied Carstens) promised to see to that.

German businessmen in Jakarta and Bangkok heard encouraging words from Warnke. For many years, German industry criticized open credit aid which only led to orders for the Japanese. Warnke announced a new course, starting with the instruction that German tax money, allocated for development aid, would have to take effect in terms of job opportunities for workers in the FRG.

Warnke also made reference to a set of instruments of the Development Ministry for the promotion of German private investments, including the branch establishment and technology transfer program. The German economy is familiar with the existence of these programs. Warnke promised more publicity and open doors for the economy in his bailiwick. In Bangkok he said that he considers it to be one of his most important tasks to "bring about a relaxation" in relations between his ministry and the economy "and to reduce any fear as to mutual contact." This indeed is a happy start. Industry's complaints about the lack of support from Bonn however are aimed at more. Industry is striving for a foreign trade policy which will be coordinated between all ministries in Bonn and in which cooperation with private industry will not be the exception but rather the rule. Only then will the Germans also share in the future of the Pacific area.

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DUISENBERG SEES 3 PERCENT ECONOMIC GROWTH

The Hague ANP NEWS BULLETIN in English 1 May 84 pp 1-2

[Text]

A m s t e r d a m, May 1 - The Dutch economy will grow by two to three per cent this year, and unemployment will not reach the 900,000 mark officially forecast, Netherlands (central) Bank President Wim Duisenberg said today.

Presenting the bank's annual report, Duisenberg struck a note of cautious optimism.

The Netherlands was pulling itself out of the recession, with many industries strengthening their financial position last year by a rise in export.

The country had managed to improve its competitiveness on the world market considerably through wage restraint measures in previous years, he said.

But the domestic market continued to stagnate, he warned.

Though it was no surprise to find that demands to stimulate spending were growing ever stronger, he was utterly opposed to such a policy, he said.

Payments' Balance

He felt the government's borrowing requirement must be brought down, and not in planned stages, as this could threaten the trust in policy on which investment, growth and job opportunities depended to a large extent, he said.

The bank president questioned figures released earlier this year via the Central Planning Bureau (CPB), outlining medium-term prospects for the Dutch economy.

Duisenberg expressed more optimism than the CPB, but said he thought the balance of payments surplus was more likely to end 1984 at the 1983 levels of 10 billion guilders than at a predicted 17 billion.

He said he hoped decentralised wage bargaining would ensure that wages did not exceed necessary limits, but also called on industry to make more effort to tackle unemployment, rather than relying on the government to do so.

The problem of youth unemployment in particular needed to be tackled by special measures, he said.

However, he was generally opposed to cuts in working hours, which would do nothing to attack the root of the problem.

Debt Problem

He said the bank was concerned about the growth of the money supply, which was exceeding growth in goods and services, and therefore threatening indirectly to lead to renewed inflation.

However, the rise had been halted in the first few months of 1984, he said. It had resulted largely from bank loans to the state in the last two years.

Duisenberg warned that interest rates and repayment commitments on government debts could become a major problem. He predicted that the financing deficit would fall in 1984, and that interest payments would account for 4.5 per cent (16 billion guilders) of national income.

If current policy continued, the deficit in 1985 would meet predictions, and interest payments would amount to 5.5 per cent of national income, he said. After that, interest rates could fall.

The bank urged the Dutch banking world to be cautious about paying dividends on profits, and to concentrate more on holding funds for reserves.

Though the banks at present were well within solvency guidelines, this should be seen in the light of the fact that in 1983 banks saw major revaluations while credit stagnated, he said.

The Netherlands Bank itself made a net profit of 1.73 billion guilders last year (1.6 billion) on an income of 2.1 billion (1.9 billion).

CSO: 3600/35

TOP GOVERNMENT ADVISOR OPTIMISTIC ON ECONOMY

The Hague ANP NEWS BULLETIN in English 24 May 84 pp 2-3

[Text]

The Hague, May 23 - The government's top economic adviser, Professor Frans Rutten, expressed guarded optimism about the Dutch economy in a speech here today but warned that belt-tightening must continue.

Rutten, top official at the ministry of economic affairs, held out the prospect of lower unemployment, saying the number of jobless could stop rising and may even fall in 1985.

But the government would have to pursue efforts to reduce the public sector deficit and this would continue to restrict domestic demand in the short term, Rutten said.

In his speech to the AOV food and agricultural organisation, Rutten said lower unemployment would depend on the extent to which plans by unions and employers to offer young people trainee posts were implemented.

The professor said the constructive spirit in which the plans were formulated deserved great admiration. They formed a good basis to tackle the problem of youth unemployment, he said.

Growth Prediction

Economic growth in Holland next year would probably match the two per cent forecast for the European Community as a whole, Rutten said, with a repeat of this year's pattern of strong exports and low consumer spending.

Dutch firms selling in foreign markets could look forward to a further improvement, he added, if wage costs stayed relatively low, the supply of skilled labour remained stable and Holland kept up with technological advances.

Rutten noted that Holland would have to face a number of economic obstacles in coming years, including reduced receipts from gas sales, an ageing population and a rapid growth in the potential workforce.

He emphasised the importance of reducing the public sector deficit, warning that otherwise the burden of repayments on the national debt would assume mammoth proportions.

Rutten said the government should aim to cut the public sector deficit to four or five per cent of net national income (NNI) by 1990 from a projected ten per cent this year.

GIRAY ON 1984 PUBLIC HOUSING EXPENDITURE

Istanbul MILLIYET in Turkish 8 Apr 84 p 6

[Text] Construction and Housing Minister Safa Giray has indicated that 200 billion liras would be spent from the Public Housing Fund this year and that no person awaiting housing credit would be disappointed. During the special address which he delivered yesterday, Safa Giray said: "The Law on Public Housing will become operational no later than three weeks from now with the promulgation of bylaws and a charter. The bylaws and the charter in question have been prepared and submitted to my office. I am currently studying these documents and hope to finish my work in three weeks at the latest. This will be followed by the publication of the bylaws and the charter. As a result, the Law on Public Housing would become operational."

Construction and Housing Minister Giray indicated that credit guarantees had been extended to 68,000 of the 290,000 persons who had qualified for housing credit through membership in co-operatives. Giray stated that these guarantees had been extended in conformity with earlier legislation and continued: "A situation in which persons will not receive credit because they have not obtained credit guarantees is out of question. In the past, the Public Housing Fund disbursed approximately 7 billion liras per year. Henceforth we will be disbursing 200 billion liras per year. Every person who is entitled will receive a share of the 200 billion liras to be disbursed this year and no one will be disappointed."

Indicating that the flow of cash into the Public Housing Fund had already begun Giray said: "The legislation which will be implemented following the adoption of the bylaws and the charter in three weeks will not constitute a step into the past. Government support including the importation of technology to assist firms involved in housing construction will be made available to everyone who wishes to acquire public housing or wishes to undertake construction privately."

Safa Giray also pointed out that the Ministry of Construction and Housing had completed plans for the rehabilitation of slum areas and said: "Provincial governments and municipalities will soon open to contractual bidding rehabilitation plans pertaining to slum neighborhoods built on public lands owned by municipal governments, the Treasury and provincial governments. The implementation of the plans will improve the unattractive appearance of slum areas. Following the implementation of these plans, certificates of deed assignment that are currently being issued will be converted into deeds."

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ATTEMPT TO BREAK ALGERIAN NATURAL GAS DEADLOCK

Madrid YA in Spanish 3 May 84 p 17

[Article by Jesus F. Briceno: "The Natural Gas Conflict With Algeria Could Be Solved Through INI"]

[Text] The Algerian Ambassador visited the president of INI [National Institute of Industry] at the institute's headquarters yesterday in order to talk about future trade exchanges between the two countries. This inter-action will continue in the next few weeks through the presence of Algerian representatives in a working seminar in which officers from INI will show their Algerian counterparts several accomplishments of the enterprises affiliated to the National Institute of Industry.

According to sources close to INI, this courtesy visit to the president of the Spanish industrial "holding" by the Algerian ambassador is seen as an act of goodwill by both sides, in an attempt to break the deadlock in the conversations between the two countries on the natural gas delivery contracts signed by Spain and Algeria, which later on were not honored by our country.

In this sense, payment for the amounts that Spain would owe Algeria for the gas not used, as well as payment for the infrastructure works carried out to assure delivery of natural gas to our country through the Strait, could be negotiated in exchange for the development by Spain of industrial projects in Algeria operated by INI enterprises or else through technical assistance or the transfer of technology.

The situation generated because of Spain's breach of the contracts signed with Algeria is getting more and more serious. The Spanish authorities are very concerned because the economic relationship between the two countries is becoming more tense every day. Algeria is applying pressure in regard to the contracts that should have been signed with Spanish companies for the construction of urban infrastructure, complete factories, dams, and other industrial developments.

This impasse is seriously affecting Spanish enterprises, particularly public works which, due to the lack of projects in Spain, had offered their services through public bids in competition with other foreign companies to carry out those works in other countries. Precisely this type of work had filled a good part of the backlog of orders of Spanish construction companies, which had

established operations successfully in Latin America and the Arab nations. An example of this tense situation between the Spanish and Algerian authorities has been the loss by the Basque group, Ularco, of a contract in the amount of 6 billion pesetas to transfer technology to Algeria for the manufacturing of electric household appliances. In this case, the pressure applied by the Algerian Government favored Japanese companies; in other cases previously, contracts were awarded to U.S. or French companies, to the detriment of the Spanish. The lack of agreement on the purchase of Algerian natural gas by Spain is to blame for this situation.

Precisely for this reason and due to the lack of an agreement through direct negotiations, the Algerian ambassador's visit to the president of INI in order to find an indirect way to solve the gas problem was looked at with interest in economic circles.

At the end of 1974, when Claudio Boada was president of INI, negotiations between Spain and Algeria to deliver 4,500 million cubic meters of natural gas every year were started. The contract signed in 1975 assumed that Spain would buy natural gas from Algeria at the lowest cost. All the contracts had a "Take or pay" clause, which the Spanish Government is objecting to as detrimental to our country.

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ENVIRONMENT MINISTER CHRISTENSEN GETTING GOOD MARKS FOR JOB

Copenhagen BERLINGSKE TIDENDE in Danish 8 Apr 84 Sect II p 4

[Article by Thomas Uhrskov and Dan Axel: "Reds Have No Patent on Being Green"]

[Text] Government officials consider Minister of Environment Christian Christensen to be a great deal more "red and progressive" than was his predecessor Erik Holst (Social Democratic Party). "The left wing does not have a monopoly on the environment," said Christensen.

Ministry of Foreign Affairs people wear a tie and gray slacks, and under the vest beat personal ambitions.

In the Ministry of Environment, the outer layer consists of a knitted vest and corduroy trousers, and inside the coffee-stained Chinese shirts beat red and progressive hearts.

Christensen is never without a tie and, from the moment he entered the ministry at Slotsholm, there was irritation about being saddled with a minister from the Christian People's Party. Government officials were used to getting along by themselves; a minister is often in the way.

Their anxiety over the minister proved to be unnecessary. In the course of 18 months, Christensen has understood how to promote himself through the press by calling for a better environment, which is his job. One might call it self-staging.

He is eager to use words like "fast-working," "vigorous effort" and "Denmark as a pioneer country." He knows how to put popular issues in the public light and, most importantly, he understands how to delegate responsibility. Perhaps because he himself does not have the time. "He is constantly on the run from one late appointment to another," said one of his subordinates.

"It is society's responsibility to solve environmental problems. And it is an important job for the government--environmental issues are not just a hobby for the leftist parties," said the minister.

Just the same, Christensen does not want to serve as minister in a social-democratically led government.

"No, our ideas are too different. Granted that we agree to a large extent on environmental policy, but I do not agree with the Social Democratic Party's policies in general. I am not chiefly minister of environment, but the government's minister of environment."

Leftist parties in Parliament have tightened Christensen's legislative proposals on a number of occasions, but although it may benefit the environment, it does not make Christensen smile.

"It is clear that when the government gets actively involved in the solution of environmental problems, there may be frustration on the part of parliamentary members who used to think they had the monopoly on environmental issues. Situations can arise in which the desire to distinguish oneself as much as possible might result in completely unrealistic proposals.

"Nitrate pollution is one such example. If we were to implement some of the proposals that have been submitted, farmers would have to invest 150,000 kroner in new organic waste-treatment equipment; money that does not yield any profits. This would be good for our drinking water, but farmers would go out of business.

"Of course, we shall do something about the nitrate pollution of our drinking water. Nitrate affects infants' oxygen intake and it has also been proven to cause stomach cancer in adults.

"In Western Jutland, some 13 to 14 percent of the population get too much nitrate in their drinking water. The figure is only three to four percent in Copenhagen.

"The difference is due to specialization in agriculture. A farmer used to have 10 cows and approximately 14 acres of land; now he may have 100 cows and approximately 7 acres of land. This makes for very heavy concentration of organic waste--much more than the soil and the crops can absorb. Hence, in no time at all, the fertilizer seeps directly into the ground water. The problem is particularly great in Western Jutland where the soil is rather sandy.

"By the end of this year we will do something to prevent this serious pollution: it may be limiting the use of nitrogen, guaranteeing a wider distribution of organic waste or plowing straw under, which is also a suggestion. But it is very important to guarantee that fields do not lie fallow.

"It has been a very positive experience for me to learn that farmers completely agree that the problem must be solved," said the minister of environment, who himself comes from Western Jutland.

It is going to take money to solve the nitrate pollution--a great deal of money, but Christensen is not worried about any budget cuts; he feels the government understands that environment protection is one area that cannot be cut. He said: "The government has acknowledged that the economic crisis in Denmark is not due to the environment. Therefore, the crisis should not be solved at the expense of the environment either."

"So far, I have gotten the money I have asked for. And I will continue to ask for money because it will cost more, not less, to solve our problems in the future. This is fully understood by the government."

"Like other ministries, we in the Ministry of Environment have also striven to limit administrative costs, but demands for environment protection will not lessen."

Greatest Threat to Our Environment

The fight against sulphur pollution is one of the things that will cost the Danish government money.

With a great deal of flare, Christensen enrolled Denmark in the so-called "30-Percent Club," consisting of 10 countries that have pledged to cut their sulphur pollution by 30 percent in the next 10 years. Parties to the left of the government laughed loud and long about Christensen's self-satisfaction with joining the club--far greater reductions are needed, according to them.

"This may well be," the minister responded, "but if we reduce it further, we will not be able to get the wavering nations to go along with the idea. If we had made it 50 percent, many would have abandoned the club. Now we can put pressure on other countries to go along with the reduction."

But there are countries completely outside the wavering ranks. These include big sulphur-polluting countries like Great Britain and East Germany. And although Christensen believes that the greatest possible pressure must be brought to bear on the respective governments, it will only be moral pressure--as long as Christensen is minister. In Denmark, on the other hand, the pressure will come in the form of legislation:

"Beginning in 1990, the government will demand that at least one power plant in each of the two main areas be provided with anti-sulphur pollution equipment. Beyond this, all new plants shall have anti-sulphur pollution equipment. It will be the consumer who has to pay for these control measures, but the cost per homeowner will only be 50 kroner per year."

"We are also interested in having more power plants use natural gas since it is much cleaner than coal and oil. However, we are only talking about smaller amounts of surplus gas--so this alone does not solve the problem."

Gasoline, Detergent, Oil and Nuclear Energy

"But sulphur is not the only threat to the environment. We also need to get rid of leaded gasoline, which we are working hard on right now. Technically

speaking, it is possible to remove leaded gasoline in the not too distant future, but there will be a transition period--and this depends upon the outcome of our negotiations with the automobile manufacturers.

"There will also be initiatives to combat the gradually increasing phosphate pollution of the oceans. The phosphate comes from detergents, but there are no substitute products at this time, which makes it more difficult for us to take action."

"But it is not your policy to wait until we develop harmless products to ban the environmentally harmful ones?"

"Of course, there will be new products if we ban the old ones, and we will also take some kind of action. Likewise, we will consider radar surveillance of Danish waters to prevent oil slips from supertankers."

In less than a month, Christensen will submit the results of a study which will form the basis for the government's decision on future use of nuclear energy in Denmark. Christensen himself supports nuclear energy, but when the controversial subject came up, the cunning and ingenious Jutlander's eyes got an even more intense "you-cannot-catch-me" look and he said:

"Many things are involved here. If we are successful in reducing sulphur pollution and if the costs of establishing nuclear power go up, there will be a certain disparity. The minister of energy will have to make an economic evaluation--and based on this, the government can then take a position. But I cannot say whether the government will take a position or not."

The floor of the minister's office is covered with a soft carpet and we did not hear her come in. But, suddenly, a secretary was standing there, looking more like a restrained teenager than a civil servant:

"I am interrupting," she said, "Christian, you are supposed to read this before the press conference."

Christian looked up from his shiny desk. It seemed as if he were a little irritated that civil servants are unable to take care of anything.

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CSO: 3613/138

DDT TO BE BANNED IN FORESTRY USE STARTING IN OCTOBER

Copenhagen BERLINGSKE TIDENDE in Danish 17 Apr 84 Sect III p 20

[Article by Brian Johnck Haure: "DDT Ban With Exceptions"]

[Text] The use of DDT has been banned in connection with agriculture and gardening since 1969, but forestry has been exempted. This too will come to an end beginning 1 October, but, paradoxically, DDT will continue to be used in hygienic substances like lice powder, for example.

Since the author Rachel Carson began to expose the grim side effects of using the insecticide DDT (Dichlorodiphenyltrichloroethane) in his book entitled "Silent Spring" and a long series of articles, the routine use of DDT was banned in Denmark in 1969, but forestry was exempted because no other substance was available at the time to fight the highly destructive weevil, which attacks young transplants.

Since 1969, when 42 tons of DDT was used, there has been a decline in the active use of it to about 2 tons per year, with a slight increase recently due to the growing appearance of the weevil. But this too will come to an end. Beginning 1 October 1984, all EC countries will totally ban DDT. A new study in Great Britain by the British Ministry of Agriculture showed a great deal of DDT in practically all kinds of vegetables. One third of all the tests contained DDT and one of seven tests showed high levels of the insecticide. All tests were below the danger level, but the greatest danger from DDT is not through direct poisoning. Organically--or bio-dynamically-grown vegetables contained the same level of DDT. The results have caused a great deal of concern because the use of DDT has been very limited in practically all the Western countries in the last 10 years. But this just emphasizes the grim perspective, which brings an end to the miracle substance of the fifties and sixties. Instead of breaking down, it builds up from one generation to the next so that all children born today have DDT in their fatty tissue. DDT has even been found in white polar bears on the North Pole. These studies have led a number of environmental organizations to criticize governmental restrictions on DDT, and this is one of the reasons British authorities now support the general ban on the pesticide in all EC countries.

The ban does not create significant problems for forestry. A comparative study just concluded shows that the new synthetic pyrethrins have the same effect as DDT.

Hole in Ban

Paradoxically, DDT may still be used directly on humans, like in a number of remedies against fleas and lice, for example. Here DDT is simply included under a different name. The benefit of DDT is the same as that which made it the most widely used insecticide throughout the world for a number of years. The direct poisonous effect with respect to humans is fairly low, but it is an effective remedy against pests. The Danish Board of Health recommends powder or denatured alcohol with DDT to fight lice and, although the concentrations are rather weak, some 65 kilograms of powder and 2,500 liters of denatured alcohol are still being used annually, according to the Danish Pharmacists Association's Control Laboratory, which is now the only manufacturer of DDT preparations in Denmark.

A large number of countries in the tropical climate zone continue to use DDT for agricultural purposes in general. The substance does indeed break down much faster in a warm climate than it does in Denmark, but it has never been proven that its use does not lead to a buildup over generations. All fruit imported into Denmark is subject to regular spot checks, according to the Environmental Board. DDT is very rarely found. The plant poison Dieldrin, which a couple of years ago resulted in large quantities of poisoned butter on Fyn due to cattle ingesting poisoned fodder, is a much bigger problem, we are told.

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